

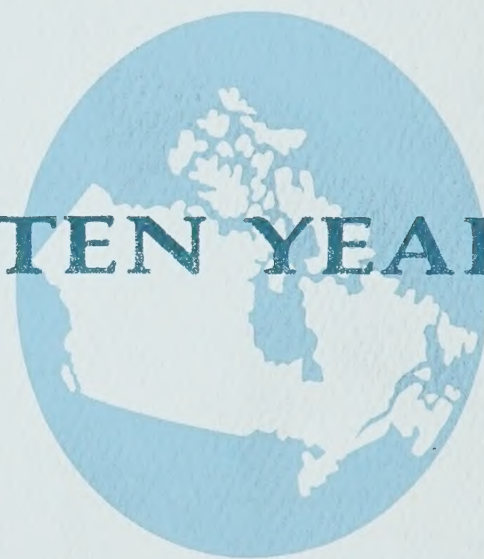
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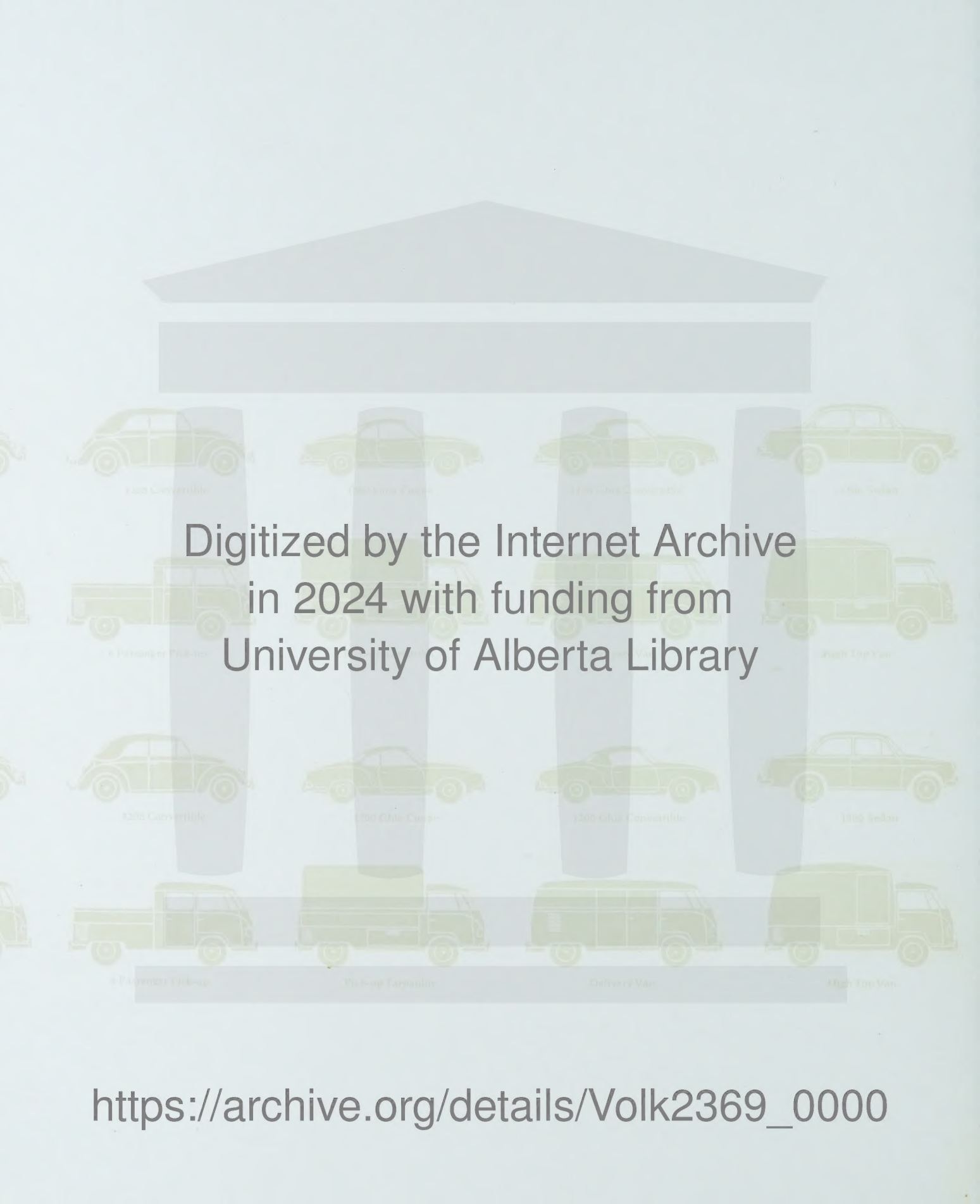
VOLKSWAGEN CANADA

FEB 12 1983

10

THE FIRST TEN YEARS





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1960 Station Wagon



1960 Golf Coupe



1960 Golf Convertible



1960 Deluxe Station Bus



1960 Demolition



Glass Carrier



Loader Van



Window Van



School Bus



Ambulance



1960 Station Wagon



1960 Golf Coupe



1960 Golf Convertible



1960 Deluxe Station Bus



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Loader Van



Window Van

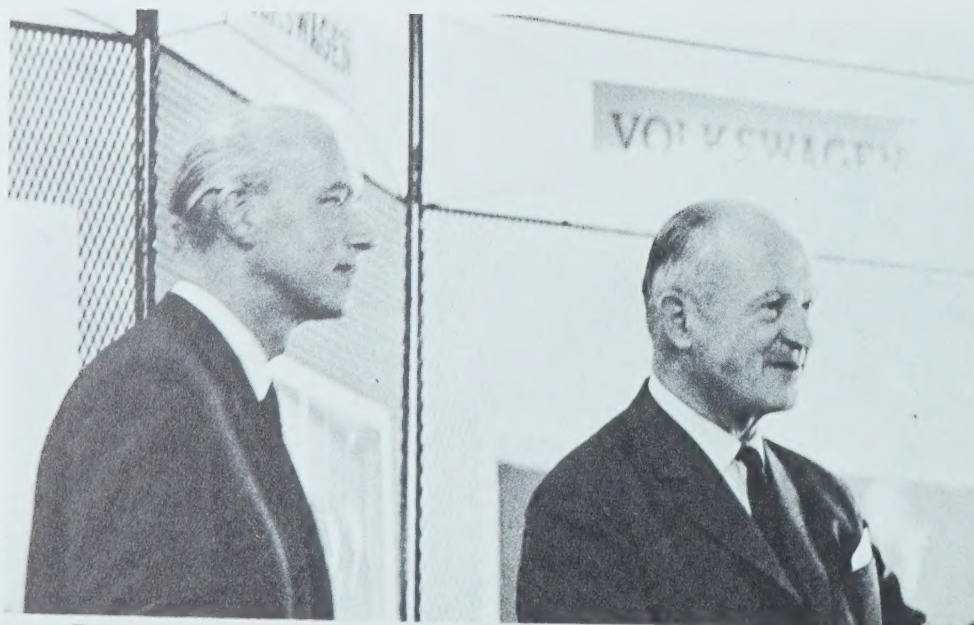


School Bus



Ambulance

R JANSEN



PROF. HEINZ NORDHOFF

THE
FIRST
TEN
YEARS

of the Volkswagen Organization in Canada

Ten years ago, a handful of men and a few unusual looking vehicles marked the introduction of Volkswagen to Canada at the Canadian National Exhibition of 1952. They had arrived in Canada at a time when the fortunes of imported cars were at their lowest post-war ebb and the chances of their success were judged by all the experts to be almost nil.

However, the interest shown by the public for the features of their cars and trucks was sufficient to convince them that there was indeed a place in the Canadian market for their product and a handful of experts from the Factory under the leadership of Werner Jansen proceeded to establish a headquarters in Toronto for their future operation. Their early endeavours were greatly assisted by two considerations of equal importance. First, that any imported car must be backed by a first class service and parts organization.

and secondly, by the policy of the Factory in that there can be no compromise on the quality of the vehicle.

These pioneer days were, of course, exceedingly difficult as, with the help of a few devoted customers, the Volkswagen was slowly introduced to Canada. Typical of the times was that the Managing Director himself travelled from coast to coast, seeking out distributors and dealers as the primary step toward establishing a chain of sales and service outlets across the country. Here again, the task was not easy as the automobile trade itself believed that the public had had enough of imported cars and, anyway, the outward appearance of the "beetle" was far removed from the popular conception of automobile style.

Nevertheless, slowly but surely the dealer network grew; today it numbers some 350 outlets across Canada. During the past ten years, as the sales volume has grown year by year, this same dealer organization has re-invested in facilities and equipment to an amount of over \$50,000,000.00 and employs a combined staff of approximately 5,000. Their premises, which are among the most modern in Canada, are marked by the familiar blue and white VW crest.

In the meanwhile, the staff and activity at the headquarters in Toronto had also been growing and by 1955 the decision was taken to relocate in what was then in a very elementary stage of development, the Golden Mile in Scarborough. A suitable building with plenty of land was located and the necessary alterations made to house the various departments. Further land was acquired in the following year so that the total area today covers some 35 acres. Such farsightedness permitted the construction of a parts building in 1957 to house a \$10,000,000.00 spare parts stock together with the addition of an

engine reconditioning department to this building the following year. And finally, as the Township of Scarborough rapidly mushroomed into a separate community with a population of 240,000, an adjoining building was purchased and turned into what could easily be the very latest concept of workshop and parts facilities in Canada. The keynote of this whole development has very obviously been that by planning constantly ahead, Volkswagen Canada Ltd. has been able to fulfil the needs and services required by its dealers and customers in ever-increasing numbers through the years.

All this has been possible through the excellent efforts of a staff which, right from the beginning and often under trying circumstances, has contributed so much to the success of the company. From the original nine, the staff has now grown to 500 which includes those employed in the field, visiting the distributor and dealer organization, and the staff of the Regional Office in Burnaby, B.C.—the on-the-spot representation for Volkswagen affairs in British Columbia and Alberta. It can be said with some pride that the staff has working conditions which may well be the envy of other companies and that, despite the increase in their numbers, the family atmosphere is still prevalent.

This then is the history of Volkswagen in Canada — milestones along a road in which the vehicle itself has become an integral part of the Canadian scene and has filled a long felt want for an economical vehicle of low initial cost, capable of performing well and giving value and satisfaction to thousands of Canadians.

We feel that we have established a close contact with this market over the years and we are deeply grateful for the wholehearted acceptance that has been accorded us by the Canadian motoring public. Our pledge for the future is that we shall try — even harder than before — to serve the needs of this public to the fullest degree.

On a cold December day in 1952 the first "beetles" arrived at a Toronto dock . . . like immigrants, unsure of their acceptance.





The first Christmas at Volkswagen headquarters, a converted farmhouse on Yonge Street, was not as festive as it appeared. To this time, only eight cars had been sold.

By the spring of 1953, the company's lot had accumulated a menagerie of used cars, including such collectors' items as this gracious Rolls-Royce.



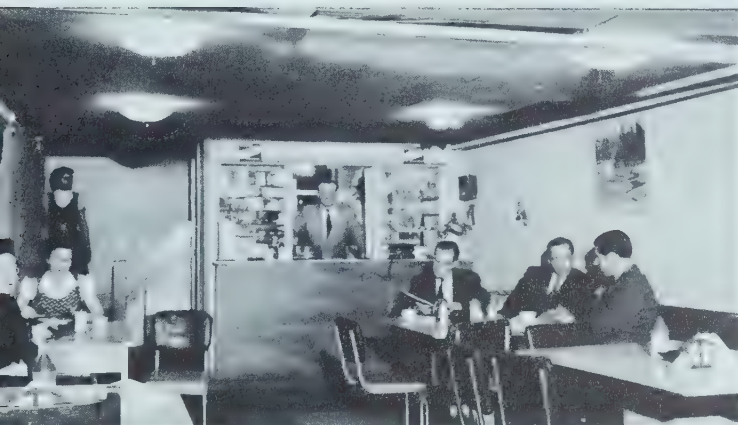


the upstairs bedroom in the house was headquarters for sales promotion, service and warranty departments.





*A group of the original pioneers
in March 1953.*



*The cafeteria was improvised
in a basement coal bin by the
enterprising night watchman.*

*Backing up the company's guarantee
that parts would always be available, a depot
was established in a dingy warehouse basement
in downtown Toronto. All this was done
before any cars arrived in the country.*





When Mr. Werner Jansen arrived in Vancouver, he knew fifty cars were on their way and he had no place to put them. A mountain road demonstration drive finally won him a VW dealer and a home for his cars.



West Germany's minister of economy, Ludwig Erhard, stopped in Toronto to have a look at a model of the new Volkswagen administration building which was to be converted from a toy factory.





A milestone was reached the day Mr. Eschenlohr, General Service Manager, took the first symbolic swing at the old Yonge Street headquarters, to be replaced with a new VW showroom.



In 1957, the German ambassador H. von Etzdorf formally opened the new 65,000 sq.ft. parts department.



Our neighbour Mr. John F. Armstrong, who owned and farmed the land where the Volkswagen building now stands, is always invited to company functions. Here he witnesses the opening of the new service centre in 1961.



As late as 1950, hay was being farmed on the Golden Mile acres where now stand the parts department and the service centre.



The headquarters today include: the original administration building on Eglinton Avenue, central parts warehouse, engine rebuilding plant, service centre, and bonded lot.





WERNER JANSEN, *Managing Director*



MR. JOHN ESCHENLOHR, *General Parts and Service Manager*

MR. PETER KOCK, *Treasurer*

Volkswagen Canada during recent years has had a net sales turnover of better than \$50 million. This is approximately one third of the German imports to Canada. At the same time, the German company in 1963 will buy some six million dollars worth of Canadian goods. The story of Volkswagen in Canada today is a story of 500 employees who earn three million dollars yearly. It is the story of a vast distribution and service complex at Toronto's Golden Mile, worth five million dollars. It is a story of the independent sales and service facilities across the country whose owners have invested \$55 million and employ over 5,000 Canadians.



Volkswagens are shipped to Canada in 102 chartered freighters. Many of these modern cargo vessels can carry one thousand two hundred vehicles across the ocean at a time and return loaded with Canadian wheat or manufactured goods. One of the duties of the wholesale department is to handle these deliveries, and it is done at a speed of 1,000 vehicles in 48 hours. These men provide the lifeline between the VW plants in Germany and the Canadian dealer's showroom. The present staff of 35 is divided into departments for sales, traffic, new car delivery, statistics, tourist delivery, fleet sales, special commercial vehicles and dealer relations. In all, 30,000 vehicles pass through the department in a year.







Since 1961, Volkswagen has spent in Canada \$1,000,000 annually for advertising, and an additional \$250,000 for catalogues which had previously been printed in Germany. Among its many sales promotion activities are new model introduction shows, participation in the Canadian National Sportsmen's Show and representation at the Canadian National Exhibition, the place where the car was first introduced to Canada 10 years ago. Today, the company's entire advertising, public relations and sales promotion programme for Canada is conducted from a central department at the Golden Mile.



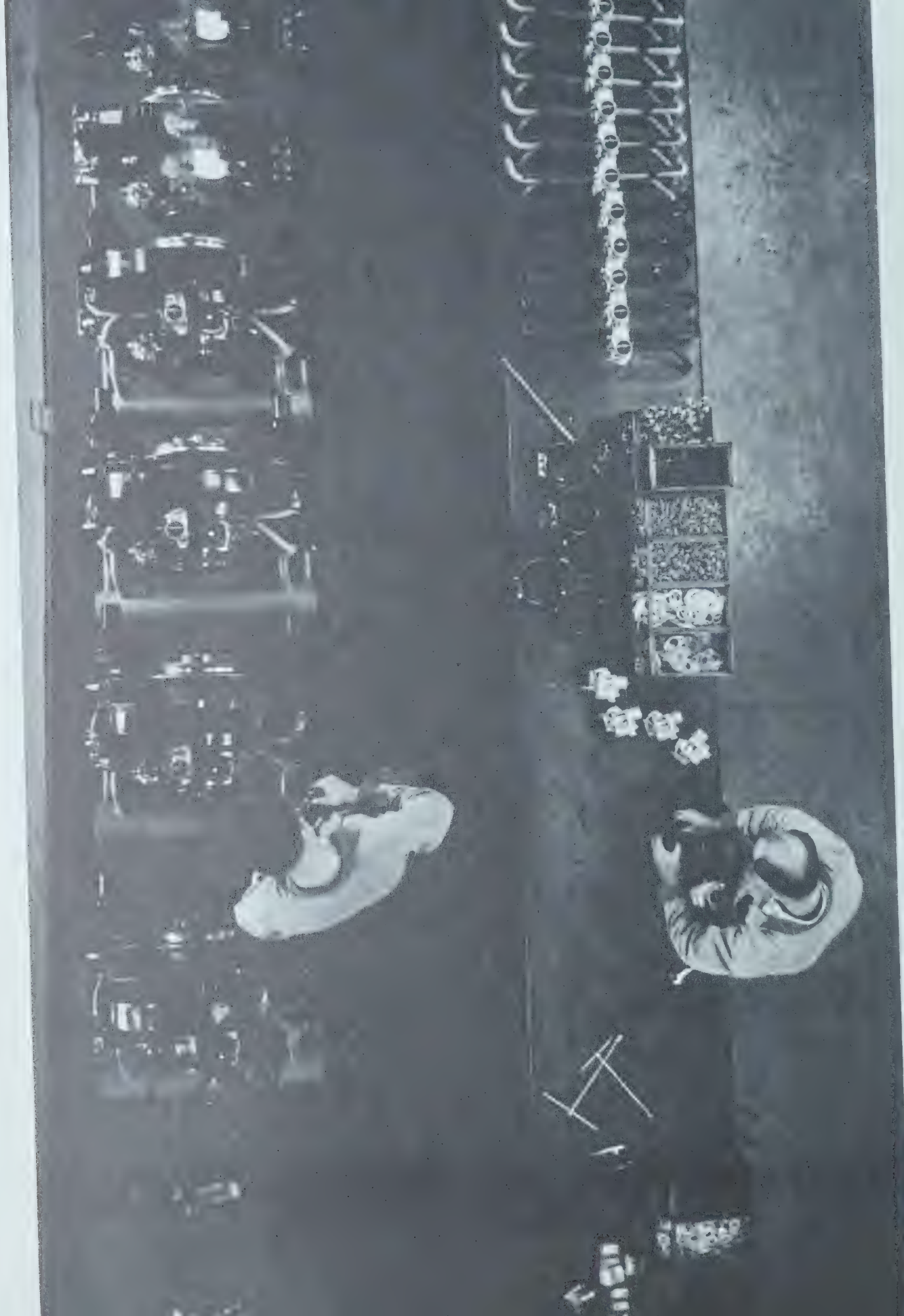








A showpiece for the world-wide Volkswagen organization is the engine rebuilding department at the Golden Mile . . . the only one outside Europe. Visitors and students come from overseas to see here the most modern machinery, reconditioning engines at a capacity of 40 a day. These rebuilt engines are shipped to the dealers to replace their stock as engines are sold. A customer can get his engine exchanged in a matter of two hours, and his rebuilt unit carries a full warranty. Fifty specialists are employed in this department, which turns out engines machined to a tolerance of 1/100 millimeter.







During 1960 Volkswagen took a progressive step by establishing a completely equipped mechanics apprentice training school at the Golden Mile. Each year 10 young men are selected from public schools and enrolled in a 5 year training programme, of which the first year is unique in Canadian industry. It is during the first year that trainees are taught the basic essentials of the trade. Everything from the proper handling of tools to precision machining is covered in courses



patterned after those given at the factory in Germany. Night classes at leading technical schools with all fees paid by Volkswagen are included and during the second and fourth years, courses are given by the Department of Labour. Upon graduation the apprentices, now full-fledged mechanics, are either assigned to one of Volkswagen's distributors, dealer outlets, or retained at the service centre on the Golden Mile.



Ten million dollars' worth of Volkswagen parts, to fit every VW model as far back as 1952, are stored in the parts building. Numerically filed and stacked in metal bins and wire mesh containers, parts run the complete range from body components, such as roofs and fenders, to carburetors and fuel pumps for the engine, to accessory seat covers, mirrors and radios. Many Volkswagen parts and accessories are made in Canada to factory specifications. The 65,000 square foot parts area supplies our own retail parts department while 30,000 pounds of parts are shipped daily by transport to Volkswagen dealers and distributors from coast to coast in Canada. Besides looking after their own operations, the department helps distributors and dealers organize and expand their own parts departments.





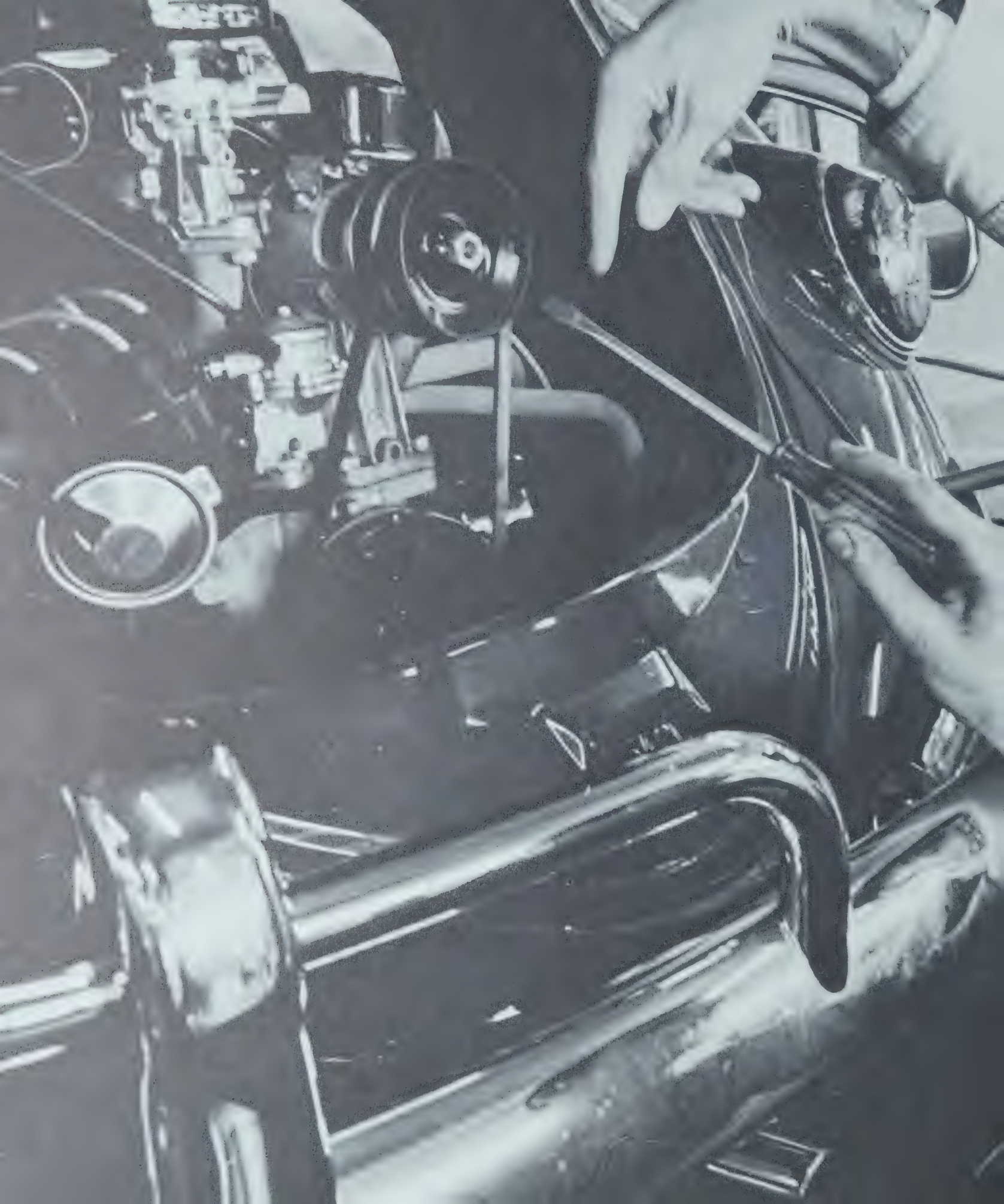






At first glance the service centre looks like a clinic. Even with a capacity of 250 cars a day, the facilities are kept spotless. Special customer considerations include a unique 10 minute quick service department, a snack bar and lounge where function and design are ideally blended.











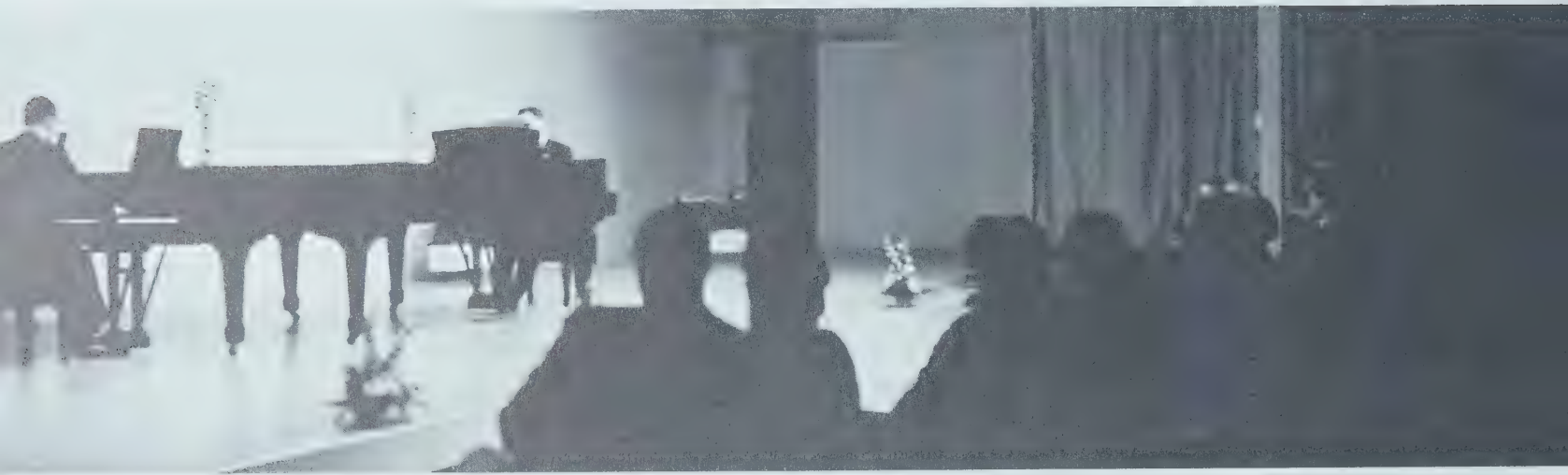




In keeping with its reputation as a company with a family atmosphere, Volkswagen offers its employees a programme of liberal fringe benefits, among which are: free medical care for employees and their dependents as well as house calls by the company physician; a pension plan in which no benefits are lost if the employee leaves before retirement; a scholarship fund for the children of employees, and five- and ten-year service awards. Nor are leisure time activities lacking. They include a lending library; free courses in English, French, German and public speaking; the "VW Playhouse" where important current movies are shown; a summer picnic, a Christmas party, and a variety of games and sports; chess, table tennis, hand ball, broom hockey, rallying, racing.











Continual liaison with its more than 350 dealers, even those in the remote North, has been a major Volkswagen policy. The company insists upon excellent facilities to house sales and service and sets standards of operation for its dealer group: a required number of parts must be kept in stock at all times; sign programmes, showroom displays, standard colours and dealer follow-ups must conform to VW specifications. The system is administered by field staffs who are constantly on the move in their territories. Almost every dealership, notably, sells and services Volkswagens exclusively.



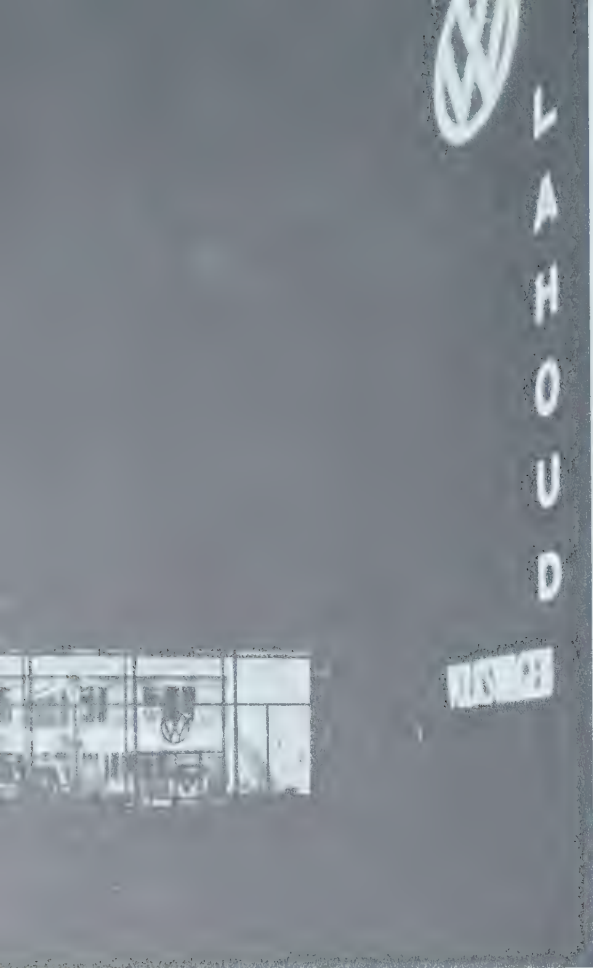
Burnaby



Vancouver

Calgary





Quebec City



Saskatoon



Moncton



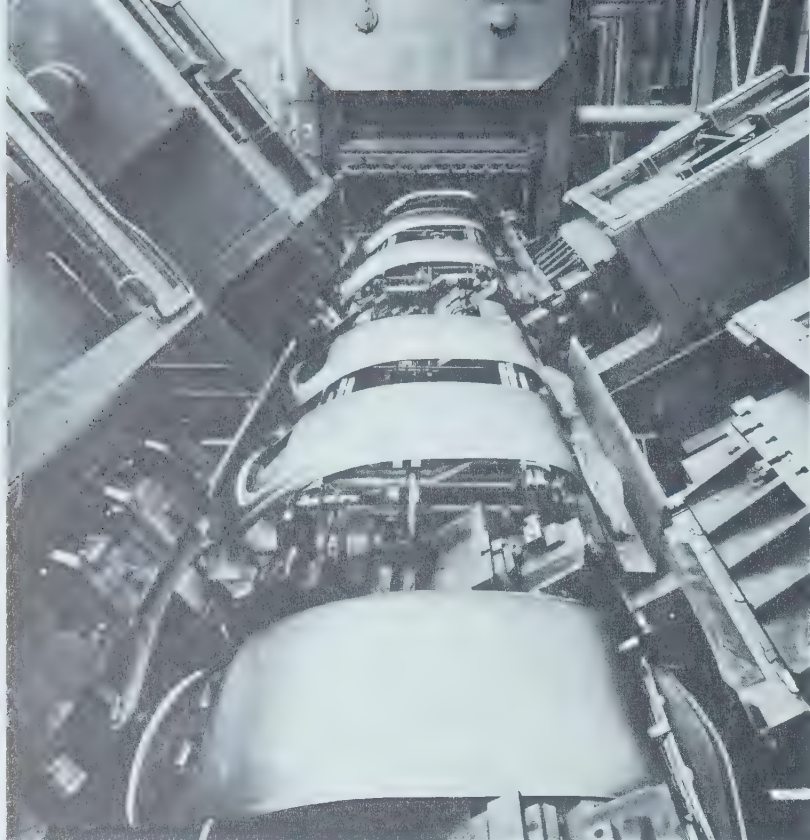






The epitome of the Volkswagen story is a factory in a town called Wolfsburg, Germany, which had a population of 857 when Volkswagen was founded there in 1938, and now has a population of about 70,000, almost all of whom are VW employees and their families. In its climb to its present position as third largest automobile manufacturer in the world, the company has established plants in three other German cities: Hanover, where commercial vehicles and engines are manufactured; Brunswick, where front axles and production tools are made, and Kassel, which turns out spare parts, transmissions and reconditioned units. Total personnel numbers 75,000, and the production count to date is five million cars and a million trucks . . . 5,000 vehicles are built each day.







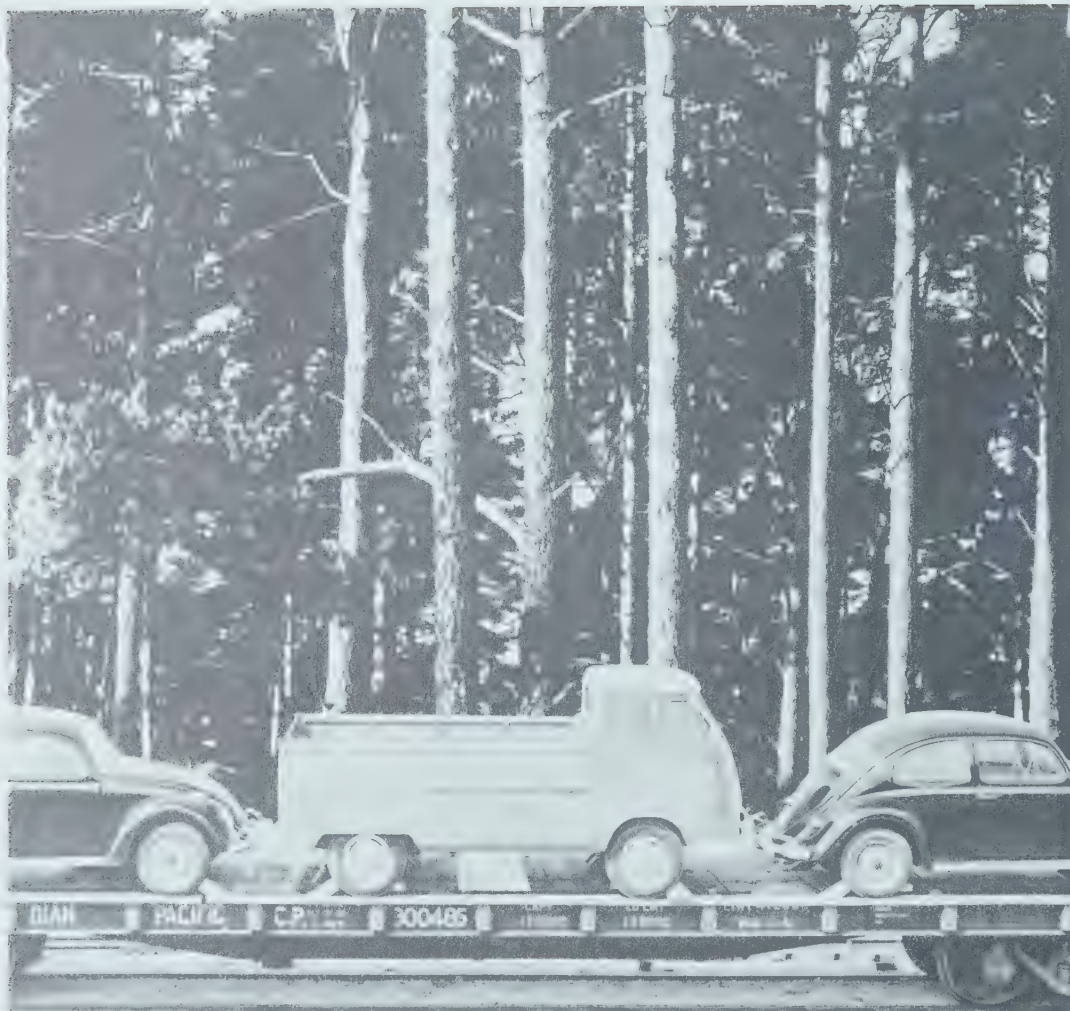


When Volkswagen Canada celebrated its 10th anniversary on October 25, 1962, its most honoured guest was Professor Dr. Heinz Nordhoff, Managing Director of the Volkswagen company in Germany. After the war, Mr. Nordhoff was called upon to take over the Volkswagenwerk. From the rubble that was all that remained of the original plant, Mr. Nordhoff, an engineer by training, rebuilt a factory that today is a miracle of automated efficiency, more modern than most U.S. automobile plants. From a total production that first year of 19,244 vehicles, Mr. Nordhoff has built the world's third largest automobile company.









Imports pay for exports

What has this Canadian forest got to do with Volkswagen?

Plenty.

Canada produces top grade timber and newsprint and West Germany needs it. But in order to sell it, Canada must provide a market for the goods West Germany produces. The leading West German export to Canada is the Volkswagen. The enthusiastic Canadian reception for the "beetle" has helped to provide the funds for West Germany to become one of Canada's best customers. In fact,

the trade balance is substantially in Canada's favour.

Why are there so many Volkswagens?

Simply because there was a need in Canada for a reliable, low-priced automobile that would perform well in Canadian driving conditions. Volkswagen filled the need and has continued to meet its growing responsibilities as a good corporate citizen of Canada. With a combined investment of more than 50 million dollars in this country, Volkswagen and its 346 dealers provide employment for 5,000 Canadians.

This year Volkswagen marks its tenth anniversary in Canada. In this time more than 200,000 VW's have landed on Canadian shores from ships which returned laden with Canadian exports to West Germany. Volkswagen is proud of the part it has played in making this trading partnership so profitable for both countries.



VOLKSWAGEN CANADA LIMITED

